

FUND OBJECTIVE

The objective of the Fund is to grow the value of Unit Holders' investments over the medium to long-term in an equity fund that invests in the global titans market of the US, Europe and Japan with an exposure to the Malaysian equities market to balance any short-term volatilities.

FUND DETAILS

Launch Date	20 May 2014	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	31.61 million units (30 September 2021)	Fund Size	RM68.08 million (30 September 2021)
Unit NAV	RM2.1537 (30 September 2021)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Principal Asset Management Bhd	Target Fund	Principal Global Titans Fund
Benchmark	42% S&P500 + 36% MSCI Europe + 12% MSCI Japan + 10% CIMB Bank 1-Month Fixed Deposit Rate	Taxation	8% of annual investment income
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> ▪ Have a medium to long term investment horizon ▪ Target capital appreciation ▪ Do not require regular income ▪ Comfortable with higher volatility ▪ Willing to take higher risk for potential higher gains 	Fees	<ul style="list-style-type: none"> ▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Global Titans Fund. ▪ Up to 1.5% of per annum fund management charge is applied on the target fund's NAV by Principal Asset Management Bhd.

ASSET ALLOCATION OF THE TARGET FUND

Mutual Fund	Cash
87.32%	12.68%

SECTOR ALLOCATION OF THE TARGET FUND

SPDR S&P 500 ETF	34.30%
IShares MSCI EUR ETF	13.83%
Principal GLB-EUR EQ-INS	10.23%
JPM EUR Strat Growth	10.17%
TOPIX ETF	7.91%
JPM Japan Yen	4.48%
JPM US Growth	4.07%
Legg Mason US L Cap	2.34%
Cash	12.68%
Total	100.00%

TOP HOLDINGS OF THE TARGET FUND

Apple Inc	2.44%
Microsoft Corp	2.34%
Alphabet Inc	1.75%
Amazon.com Inc	1.68%
ASML Holding NV	1.38%
Roche Holding Ltd	1.12%
Facebook Inc	1.11%
Nestle SA	0.96%
LVMH	0.93%
Novo Nordisk A/S	0.80%
Total	14.51%

PERFORMANCE RECORD

This fund feeds into Principal Global Titans Fund (“target fund”) with the objective to achieve medium to long-term in an equity fund that invests in the global titans market of the US, Europe and Japan with an exposure to Malaysian equities market to balance any short term volatilities.

Table below shows the investment returns of Sun Life Malaysia Global Titans Fund versus its benchmark as at 30 September 2021:

%	YTD	1M	6M	1-Year	3-Years	5-Years	Since Inception
Fund*	13.28	-2.94	6.79	21.84	32.14	67.41	115.37
Benchmark	14.97	-2.72	7.38	25.54	35.41	71.70	122.40

* Calculation of past performance is based on NAV-to-NAV

Notice: Past performance of the fund is not an indication of its future performance which may differ. The fund performance is not guaranteed.

FUND MANAGER'S COMMENTS

The Fund (Class MYR) declined by 2.94% during the month of September 2021, underperforming the benchmark by 22bps.

US and Europe markets pulled back from their historical highs in September. S&P 500 and MSCI Europe declined by 4.6% and 3% respectively in local currency terms. MSCI Japan was holding up relatively well with MTD return of 4.36% in JPY term. The correction was triggered by several near-term uncertainties including 1) risks from China's slowing economy 2) potential default and contagion risk of Evergrande 3) US domestic policy related to debt ceiling and Biden's fiscal stimulus agenda 4) stagflation fears. Slight hawkish notes from several central banks triggered a sell-off in sovereign bonds. US 10-year bond yield increased to 1.496% at the time of writing. The US Dollar rose by 1.7% as the Fed moves closer towards tapering with Euro and Japanese Yen depreciated by 1.9% and 1.2% respectively.

We are strategically positive on all developed markets moving to year-end. We think that developed economies growth is likely to stay resilient. Healthy household balance sheet, high savings rate, record high job openings and robust wage growth support consumption and demand growth. Looking into 2022, developed countries' GDP growth is likely to stay well above trend even if growth rate moderates. Although higher PPIs from China may pose a risk to global inflation being more persistent, we maintain our view that the high inflation is temporary in nature and do not expect inflation spiral out of control. As global COVID-19 situation continues to improve with vaccination rates going up and positive developments on COVID-19 treatment, economic activities would continue to normalize. Moving forward, equity markets will be supported by the positive earnings growth across all developed markets for 2022 led by Japan and US according to the latest forecast. In addition, monetary conditions will stay accommodative because the Fed's dialing back its monthly purchase does not indicate a reduction in balance sheet or directly link to the timeline of interest rate hike. Therefore, although there will be some short-term volatilities, we maintain our positive view on all developed markets.

RISKS

All investment carries some form of risks. The potential key risks include but are not limited to the following:

Market risk	Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the target fund's NAV.
Stock specific risk	Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect the target fund's NAV.
Country risk	Investments of the target fund in any country may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the target fund invests. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the target fund in those affected countries. This in turn may cause the NAV of the target fund or prices of units to fall.
Currency risk	As the investments of the target fund may be denominated in currencies other than base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. You should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the target fund and vice versa. You should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.
Fund manager's risk	Since the target fund invests into collective investment scheme managed by another manager, the fund manager has absolute discretion over the fund's investment technique and knowledge, operational controls and management. In the event of mismanagement of the fund and/or the management company, the NAV of the target fund, which invests into the fund would be affected negatively. Although the probability of such occurrence is minute, should the situation arise, Principal (S) will seek for an alternative collective investment scheme that is consistent with the objective of the target fund.

RISKS (CONTINUED)

All investment carries some form of risks. The potential key risks include but are not limited to the following:

Credit and default risk

Investments of the target fund may involve a certain degree of credit and default risk. Generally, credit and default risk is the risk of loss due to the counterparty's and/or issuer's non-payment or untimely payment of the investment amount as well as the returns on investment. Principal (S) aims to mitigate this risk by performing fundamental credit research and analysis to determine the creditworthiness of its counterparty and/or issuer.

Source : *Principal Asset Management Bhd*
Date : *30 September 2021*

Disclaimer:

The benchmark performance is not a guide to future performances which may differ. The performance of the fund is not guaranteed. The value of the fund will fluctuate and may fall below the amount of premiums paid and the fund value depends on the actual performance of the underlying investment. This material is for information purposes only and is subject to change at any time without notice. Sun Life Malaysia does not guarantee its accuracy, completeness, correctness or timeliness for any purpose or reason. This information should not be considered as advice or recommendation in relation to your account or particular investment objectives, financial situation or needs. You may not revise, transform, or build upon this material without prior written consent of Sun Life Malaysia. Before acting on any information you should seek independent financial advice. Sun Life Malaysia may suspend the unit pricing and defer the payment of benefits, other than death and total and permanent disability benefits, subscription or redemption of units, switching of funds, under this contract for a reasonable period in exceptional circumstances, such as and including intervening events resulting in temporary closure of any stock exchange.